



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

December 3, 2012

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

Board of Supervisors  
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## LOS ANGELES NETWORK FOR ENHANCED SERVICES - QUARTERLY UPDATE

On May 31, 2011, the Board authorized the Chief Executive Officer (CEO), as Chair of the Los Angeles Network for Enhanced Services (LANES) Board, to execute and implement the terms of the Cal eConnect (CeC) Health Information Exchange (HIE) Expansion Grant Agreement on behalf of LANES, and accept grant funds in the amount of \$996,070 for the Health Data Highway Project (HDHP), effective upon Board approval, for the term of June 2011 through November 2012, with approval by County Counsel and prior notification to the Board; and authorized the CEO to execute future amendments for modifications needed to comply with changes in State or federal laws or regulations, changes to line items in the budget and/or the timeline/deliverables as required for project implementation, and no-cost extensions if needed for project completion, in consultation with County Counsel and prior notification to the Board. In addition, the Board instructed the CEO to provide quarterly updates.

This is to provide our sixth quarterly report.

## BACKGROUND

In our last quarterly report we indicated we were reviewing the final recommendations for LANES HDHP vendors for an Enterprise Master Person Index (EMPI) and data hosting services. In addition, we were completing a replacement HIE Expansion Grant Agreement with the California Health and Human Services Agency (CHHS).

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We also indicated we were working with CeC to execute a no-cost extension to the grant agreement, as well as an extension to the agreement between the Department of Health Services (DHS) and PHFE for the Community Clinic Phase II project. Lastly, we indicated we were applying for an additional grant from CeC and United Healthcare/Pacificare.

## **CURRENT STATUS AND NEXT STEPS**

In our last report, we indicated that the LANES Project Manager (PM) was in the final steps of completing an agreement for the lead vendors for a LANES HDHP EMPI and a data hosting agreement. These two outstanding agreements were the final pieces needed in order to ensure work on the project can begin to move forward.

As we discuss later in this memo, LANES was hoping to secure an HIE Infrastructure Grant from CHHS in order to fund a large portion of the required hardware and data hosting services to support the EMPI. Subsequently, CHHS notified LANES that we would not be receiving an HIE Infrastructure Grant; therefore, the LANES Board determined it was no longer financially feasible to move forward at this time with the lead vendors for the EMPI and data hosting, and have so advised the vendors. The LANES Board is evaluating options to obtain an EMPI and the related data hosting services through the use of the clinic data exchange vendor, Mirth. The LANES Board is working to determine the final cost of these services in order to ensure they fall within the available HIE Expansion Grant funding. Once these services are in place, we expect the technical work on the HDHP to begin to move forward quickly.

## **LANES TECHNICAL ADVISORY COMMITTEE/CLINICAL ADVISORY COMMITTEE**

As the LANES Board has taken a more direct management role over the HDHP project, the LANES Technical Advisory Committee has also taken a more direct role in evaluating the technology to implement the LANES HIE. The Technical Advisory Committee evaluated alternatives to IBM Initiate, and identified Mirth as the best alternative given the current circumstances of the LANES HDHP EMPI. The committee is currently reviewing the functionality of the Mirth algorithm. To support this effort, the LANES Board formed a Clinical Advisory Committee, largely made up of clinical staff. This committee will evaluate the existing functionality of the Mirth clinical interface and confirm that it sufficiently meets clinical expectations. Additional time and resources may be needed beyond the scope and timeline of the grant to implement any additional functionality that is needed. LANES plans to do any necessary work concurrently with the grant, if possible.

## **CAL eCONNECT ORGANIZATIONAL CHANGE**

In our last quarterly update, we indicated that a replacement HIE Expansion Grant Agreement was on the Board's October 2, 2012 agenda. Per the Board's approval granted on October 2, 2012, the Agreement was recently executed.

In addition, the Institute for Population Health Improvement (IPHI) at the University of California, Davis has established the California Health eQuality (CHeQ) program. CHeQ will be the arm of the IPHI that will develop and implement HIE programs according to the State's Cooperative Grant Agreement with the federal Office of the National Coordinator for Health Information Technology. CHeQ seeks to improve health care quality and the coordination of care by using HIE technology to facilitate the rapid flow of information among physician offices, hospitals and other health care providers.

CHeQ's programs intend to promote health care quality and the coordination of care by expanding underserved communities' capacities to exchange health information or access to Direct, a simple, standards-based way for senders to push secure, encrypted health information directly to trusted recipients over the Internet. CHeQ also will improve sharing of immunization, laboratory, and care information, and provide tools to assist providers in identifying private, secure, standardized and trusted systems.

We continue to work closely with CHHS and CHeQ on the LANES HDHP. We also conducted monthly check-in calls on September 19, October 16, and November 20, 2012.

## **SUSTAINABILITY COMMITTEE**

The LANES Sustainability Committee continues to meet and is working to evaluate various options and develop a model for LANES. The Committee has also reached out to CHeQ in order to begin a dialogue with staff to share their knowledge of sustainability among the various organizations they have contact with at the State level.

As we indicated in our last report, based on the experience of other HIEs across the country, it is apparent that large-volume users of the LANES HIE, such as DHS and L.A. Care, will likely need to bear a proportionately larger share of the on-going cost of supporting the HIE in the sustainability model as compared to the smaller community clinics and other future LANES participants. While the on-going costs specific to a fully implemented LANES HIE are still being developed, the customary costs of HIEs are largely driven by the software licensing costs and data hosting costs required to support the volume of lives that will be entered into the LANES HIE. Optimal participation by medical providers in the HIE is a key factor to developing a sustainable financing model, and provides one of the major challenges for review by the committee.

## **PRIVACY AND SECURITY POLICIES COMMITTEE**

The LANES Privacy and Security Policies Committee recently approved a draft of the LANES data use agreement that will be shared with the LANES Board for review and approval shortly. Each member of the LANES Board will need to review the agreement with their own legal counsel and request authority from their respective governing bodies to approve the final agreement. Once a final agreement is approved, each LANES HIE participant will need to sign the agreement. In order to participate in the LANES HIE, DHS will need to obtain Board approval of the data use agreement and delegated authority to execute it. We will brief the Board offices on these policies and agreements once they are complete. We anticipate presenting the agreement in early 2013.

## **TECHNICAL PROGRESS ON THE LANES HDHP**

With most of the vendor contracts in place for the HDHP, work has begun on the project. StrataVation and Health Date Engineering (HDE) are doing integration work on various interfaces and the following is a summary of some of the work completed to date:

### **DHS**

- Mirth Edge server has been installed
- Test patient discharge summary data from DHS was successfully transmitted and filed into the LANES HIE platform
- Confirmed that messages created in the current and previous interface versions 2.2 and 2.3 were successfully transmitted and filed into the LANES HIE platform

### **LA Care**

- Test patient claims data was successfully transmitted from L.A. Care's database to the LANES HIE platform

### **CCALAC**

- Working with the Community Clinic Association of Los Angeles County (CCALAC) on a presentation and process for marketing LANES to the community clinics
- i2i is ready to begin work to connect the Phase I Community Clinics to the LANES HIE and is waiting for LANES to get the participating clinic Business Associate Agreements signed to start

### **Quest**

- Started implementation design of the Quest results interface

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- Evaluating messages from all participant sources to ensure consistent, accurate patient information is being sent to LANES
- Identifying opportunities for standardization of messages and data elements when possible

## **COMMUNITY CLINICS PHASE II PROJECT**

Since our last quarterly report, the Public Health Foundation Enterprises, Inc. (PHFE) has completed an agreement with CCALAC in order to perform the necessary outreach to identify the next set of community clinics to be connected to the LANES HIE.

The PM continues to evaluate the project timeline in order to determine when the Phase II project will be completed, which is dependent on the revised LANES HDHP timeline. This will be completed shortly and DHS will be working with PHFE, per the Board's delegated authority provided to DHS on May 17, 2011, to execute a no-cost extension to the Phase II agreement beyond the original end date of December 31, 2012.

## **ADDITIONAL GRANT FUNDING OPPORTUNITIES**

HIE Infrastructure Grant – As noted earlier in this memo, CHHS declined to award LANES an HIE Infrastructure Grant. The grant proposal was for \$500,000 and would have offset a portion of the hardware and data hosting services to support the LANES EMPI, as well as additional health data exchange platform costs and integration resources. LANES will continue to evaluate future grant opportunities from CHHS to determine if any are appropriate for the HDHP.

United Healthcare/Pacificare (UHC) Grant – As reported in our last update, LANES submitted a grant proposal for \$1.3 million on August 31, 2012 that proposes to connect an additional 18 community clinics to the LANES HIE. This would increase to 48 the total number of community clinics connected to the LANES HIE. UHC has indicated that they are planning to notify grantees of awards in January 2013.

## **COUNTY ENTERPRISE MASTER PERSON INDEX**

The County had been preparing to start sole source negotiations with IBM in regard to securing an EMPI for the County, given that IBM was the proposed vendor for the LANES HDHP. However, due to the change in EMPI vendor for the LANES HDHP, the County is evaluating options for obtaining an EMPI and will report to your Board separately on this matter.

## **ADDITIONAL COUNTY DEPARTMENTS**

From the beginning of the LANES initiative, we have envisioned that LANES would include other County departments that maintain and utilize health information systems, such as the Sheriff, Probation, Mental Health (DMH), Public Health (DPH), and Children and Family Services. At the outset of the LANES HDHP, largely due to the limited grant funding that LANES received from the HIE Expansion Grant, the plan was to begin with DHS and connect other County departments in the future. This Office sent a memo to the Board on November 19, 2012, with a Memorandum of Understanding that was signed by the Sheriff, Probation, and DHS indicating their commitment to work together to share data among their respective EHR's. As these three departments are moving forward with updating and implementing their respective EHR's that will enable them to share data amongst themselves, the time is right to begin discussions on whether the Sheriff and Probation will connect to LANES as well. In addition, we have initiated discussions with DMH and DPH regarding their involvement in LANES and when that would occur. We will continue to update your Board on these discussions as they happen.

## **CONCLUSION**

As noted above, LANES is finalizing the final agreement with the EMPI vendor that will allow the HDHP to quickly move forward with the funding available in the HIE Expansion Grant. The LANES Board members will also be reviewing the data use agreement for approval in the coming weeks, and we expect DHS to bring the agreement to the Board for consideration in early 2013. LANES also continues to work closely with CHeQ on the project status.

Lastly, as noted above, LANES will continue to work on the sustainability model and actively pursue additional grant opportunities. The sustainability model will require the County to incur an annual expense to support the LANES HIE and we will report to the Board on this as more information becomes available.

We will report additional progress on these projects in our next quarterly report to your Board by February 28, 2013.

Each Supervisor  
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If you have any questions regarding this matter, please contact Sheila Shima at (213) 974-1160 or [sshima@ceo.lacounty.gov](mailto:sshima@ceo.lacounty.gov) or Kevin Lynch, DHS Chief Information Officer, at (213) 240-8128 or [klynch@dhs.lacounty.gov](mailto:klynch@dhs.lacounty.gov).

WTF:SAS:MLM  
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